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22L-16

#### REPORTS ANALYSIS DIVISION REFERRAL

TO

#### ALTERNATIVE DISPUTE RESOLUTION OFFICE

DATE: June 14, 2022

ANALYST: Jeremiah Hempel

I. COMMITTEE: For A Better Colorado

C00758664

Melinda Paterson, Treasurer

725 E Main St. Aspen, CO 81611

II. RELEVANT STATUTE: 52 U.S.C. § 30104(b)(4)

52 U.S.C § 30104(g)(1) 52 U.S.C. § 30104(g)(2) 11 C.F.R. § 104.3(b) 11 C.F.R. § 104.4(c) 11 C.F.R. § 104.4(b)(2)

#### III. BACKGROUND:

Failure to Provide Supporting Schedules (Failure to Disclose All Financial Activity) and Failure to Provide Supporting Schedules (Failure to Timely File 48-Hour and 24-Hour Reports)

For A Better Colorado ("the Committee") failed to disclose all financial activity in its 2020 October Quarterly Report. On May 5, 2021, the Committee filed an Amended 2020 October Quarterly Report which disclosed \$59,523.90 in additional disbursements. The Committee also failed to timely file one (1) 48-Hour Report to support two (2) independent expenditures totaling \$59,523.90 disclosed in the Amended 2020 October Quarterly Report, received October 26, 2021, made up to and including the 20<sup>th</sup> day before the 2020 General Election (Attachment 1).

Additionally, the Committee failed to disclose all financial activity on its 2020 12-Day Pre-General Report. On May 28, 2021 and October 26, 2021, the Committee filed Amended 2020 12-Day Pre-General Reports which disclosed \$50,040.00 and \$50,030.00

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in additional disbursements, respectively. The Committee also failed to timely file one (1) 24-Hour Report to support one (1) independent expenditure totaling \$50,000.00 disclosed in the Amended 2020 12-Day Pre-General Report, received October 26, 2021, made after the 20<sup>th</sup> day but more than 24 hours before the day of the 2020 General Election (Attachment 1).

#### **2020 October Quarterly Report**

On October 19, 2020, the Committee filed the original <u>2020 October Quarterly</u> <u>Report</u> covering the period from July 1, 2020, through September 30, 2020. The report disclosed no disbursements on Line 24 (Itemized Independent Expenditures) of the <u>Detailed Summary Page</u>.

On January 5, 2021, the Committee filed a <u>48-Hour Report</u> disclosing one (1) independent expenditure totaling \$100,000.00 made in support of one (1) federal candidate.

On May 5, 2021, the Committee filed an <u>Amended 2020 October Quarterly Report</u>. The report disclosed \$59,523.90 in disbursements on Line 24 of the <u>Detailed Summary Page</u>, an increase of \$59,523.90 from the original report.

On October 26, 2021, the Committee amended the <u>48-Hour Report</u> filed on January 5, 2021 to disclose two (2) independent expenditures totaling \$100,000.00 made in support of one (1) Federal candidate. The Committee also filed a new <u>48-Hour Report</u> disclosing one (1) independent expenditure totaling \$9,523.90 made in support of one (1) Federal candidate.

The same day, the Committee filed an additional <u>Amended 2020 October Quarterly</u> <u>Report</u>. The report disclosed \$59,523.90 in disbursements on Line 24 of the <u>Detailed Summary Page</u>, an increase of \$59,523.90 from the original report.

On November 8, 2021, a <u>Request for Additional Information (RFAI)</u> was sent to the Committee referencing the Amended 2020 October Quarterly Report, received October 26, 2021. The RFAI noted that the Committee may have failed to timely file one (1) or more of the required 48-Hour Reports regarding independent expenditures. A chart was included with the RFAI identifying two (2) independent expenditures, totaling \$59,523.90, for which one (1) or more of the required 48-Hour Reports had not been timely filed. The RFAI also requested clarification regarding the substantial increase in disbursements disclosed on the Amended 2020 October Quarterly Report.

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#### 2020 12-Day Pre-General Report

On December 4, 2020, the Committee filed the original <u>2020 12-Day Pre-General Report</u> covering the period from October 1, 2020, through October 14, 2020. The report disclosed no disbursements on Line 24 (Itemized Independent Expenditures) of the Detailed Summary Page.

On May 28, 2021 and June 15, 2021, the Committee filed amendments to the 2020 12-Day Pre-General Report. The reports disclosed \$50,040.00 in disbursements on Line 24 of the Detailed Summary Page, an increase of \$50,040.00 from the original report.

On September 9, 2021, an <u>RFAI</u> was sent to the Committee referencing the Amended 2020 12-Day Pre-General Report, received June 15, 2021. The RFAI requested clarification regarding the substantial increase in disbursements disclosed in the report.

On October 26, 2021, the Committee filed an additional <u>Amended 2020 12-Day Pre-General Report</u>. The report disclosed \$50,030.00 in disbursements on Line 24 of the <u>Detailed Summary Page</u>, an increase of \$50,030.00 from the original report.

On that same day, the Committee filed an amended <u>48-Hour Report</u> disclosing two (2) independent expenditures totaling \$100,000.00 made in support of one (1) federal candidate.<sup>4</sup>

On November 1, 2021, the Committee filed an <u>FEC Form 99</u> (Miscellaneous Electronic Submission) stating:

"2 50,000. IE that were filed on 10/26/ to amend the 100,000. notice filed on 1/5/21.

Orginal 2020 12 day pre-general report committee mistakenly reported 100,000. in debt. This was an attempt to accurately disclose IE which have now been correctly reported."

On November 8, 2021, an <u>RFAI</u> was sent to the Committee referencing the Amended 2020 12-Day Pre-General Report, received October 26, 2021. The RFAI noted that the Committee may have failed to timely file one (1) or more of the required 24-Hour Reports regarding independent expenditures disclosed in the report. A chart was included with the RFAI identifying one (1) independent expenditure, totaling \$50,000.00, for which a 24-Hour Report had not been timely filed.<sup>5</sup>

<sup>&</sup>lt;sup>4</sup> This is the same 48-Hour Report referenced above for Independent Expenditures disclosed in the 2020 October Quarterly Report. The Committee incorrectly included the Independent Expenditure on a 48-Hour Report instead of the required 24-Hour Report of Independent Expenditures.

<sup>&</sup>lt;sup>5</sup> The RFAI inadvertently failed to question one (1) independent expenditure totaling \$30.00, for which a 24-Hour Report had not been filed.

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Since December 4, 2020, RAD logged eleven (11) communications with a representative of the Committee which reflect efforts to help the Committee voluntarily comply with the Act regarding the matters referenced above. The Committee was also notified that the matters would be referred to another office at the Commission for further review and advised to file an FEC Form 99 with any clarifying information for the public record (Attachment 2). To date, no further communications have been received from the Committee regarding these matters.

Filings and correspondence related to the Committee can be found here: For A Better Colorado.

2020 October Quarterly Report/Amended 2020 October Quarterly Report

# Overview of Additional Disbursements

Report Line	Original 2020 October Quarterly Report	Amended 2020 October  Quarterly, received  10/26/2021	Variance Amount
Line 24: Independent Expenditures	\$0.00	\$59,523.90	\$59,523.90
		Total:	\$59,523.90

Amended 2020 October Quarterly Report, received October 26, 2021

# 48-Hour Report Not Timely Filed

Name of Payee	Date of Dissemination (Schedule E)	Expenditure Amount	Candidate Supported	Election	48-Hour Report Filed
4 Bucksmedia Inc., Mick Barnett	9/30/2020	<b>\$50,000.00</b> 48-Hour Report Required	JOHN W. HICKENLOOPER	2020 General	1/5/2021
Uptown 6	9/30/2020	<b>\$9,523.90</b> 48-Hour Report Required	JOHN W. HICKENLOOPER	2020 General	10/26/2021

2020 12-Day Pre-General Report/Amended 2020 12-Day Pre-General Report

# Overview of Additional Disbursements

Report Line	Original 12-Day Pre- General Report	Amended 12-Day Pre- General Report, received 10/26/2021	Variance Amount
Line 24: Independent Expenditures	\$0.00	\$50,030.00	\$50,030.00
		Total:	\$50,030.00

Amended 2020 12-Day Pre-General Report, received October 26, 2021

# 24-Hour Report Not Timely Filed

Name of Payee	Date of Dissemination (Schedule E)	Expenditure Amount	Candidate Supported	Election	24-Hour Report Filed
4 Bucksmedia Inc., Mick Barnett	10/30/2020	\$50,000.00 24-Hour Report Required	JOHN W. HICKENLOOPER	2020 General	10/26/2021